THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) The policy on FDI in trading companies is constantly under review. As per the present policy, FDI is not permitted for setting up companies for retail trading.

GAP between import and export

†783. SHRI KAPIL SIBAL:
SHRI RAJ MOHINDER SINGH:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the gap between import and export has been increasing continuously in the country during the past years;

(b) if so, what is the gap between import and export during 1997-98, 1998-99 and 1999-2000 separately; and

(c) the reasons of this gap?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) As per DGCI&S data, India's exports, imports and balance of trade for the year 1997-98, 1998-99 and 1999-2000 has been as under:-

(US $ Million)

Year	Export	Import	Balance of trade
1997-98	35006	41484	6478
1998-99	33219	42389	9170
1999-2000*	37538	46154	8616

*Data for 1999-2000 are provisional and subject to change.

(c) Imports are made by the trade and industry keeping in view the needs of the economy. Shortfall in exports during 1997-98 and 1998-99 has been partly due to international factors such as recession in the world market, South-East Asian crisis as well as crisis in Russia and some Latin American countries. Infrastructural constraints and other impediments like narrow basket of exportable goods and low unit value realization were other reasons.

†Original notice of the question was received in Hindi.